

IN LEGISLATIVE SESSION

The President called the Senate to order at 11:00 o'clock a.m. as In Legislative Session.

MEMORIAL RESOLUTIONS

S.R. 9 - By Farabee: Memorial resolution for Joe B. Matthews.

S.R. 10 - By Farabee: Memorial resolution for Janie F. Brown.

S.R. 11 - By Farabee: Memorial resolution for Ray Puckett.

ADJOURNMENT

On motion of Senator Aikin the Senate at 11:02 o'clock a.m. adjourned until 10:00 o'clock a.m. tomorrow.

APPENDIX

Sent to Governor

(July 11, 1978)

S.C.R. 1

THIRD DAY

(Wednesday, July 12, 1978)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

A quorum was announced present.

The Most Reverend Vincent M. Harris, Bishop of Austin, offered the invocation as follows:

Lord God, Father of us all, You have taught us through Your Divine Son that we must render unto Caesar the things that are Caesar's. And through the Apostle of the Gentiles you have taught us to pay just taxes for conscience' sake, paying "to each his due: taxes to whom taxes are due; toll to whom toll is due; respect and honor to everyone who deserves them." (Romans, 13, 5-7) Thus Heavenly Father,

You have given awesome power to those who impose taxes, the power to bind in conscience even those who have the freedom of the children of God.

We therefore earnestly beseech You to keep Your Spirit in this chamber throughout this special session. Guide the minds and the hearts of these Senators who have been elected to serve You by serving Your people. With Your help they will be able to write laws which will serve the common weal, and thus be worthy to bind the consciences of free men, the citizens of Texas.

Thus we pray to You our God, who live and rule for ever and ever. Amen.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

LEAVES OF ABSENCE

Senator Moore was granted leave of absence for today on account of important business on motion of Senator McKnight.

Senator Mauzy was granted leave of absence for today on account of important business on motion of Senator Clower.

CO-AUTHORS OF SENATE BILL 2

On motion of Senator Hance and by unanimous consent, Senators Braecklein and Schwartz will be shown as Co-authors of S.B. 2.

CO-AUTHOR OF SENATE BILL 4

On motion of Senator Creighton and by unanimous consent, Senator Price will be shown as Co-author of **S.B. 4**.

CO-AUTHOR OF SENATE JOINT RESOLUTION 2

On motion of Senator Creighton and by unanimous consent, Senator Price will be shown as Co-author of **S.J.R. 2**

CO-AUTHOR OF SENATE BILL 1

On motion of Senator Lombardino and by unanimous consent, Senator Schwartz will be shown as Co-author of S.B. 1.

SENATE BILL AND RESOLUTIONS ON FIRST READING

The following bill and resolutions were introduced, read first time and referred to the Committee indicated:

S.B. 6 by Andujar, Lombardino, Mengden, Price, Traeger Finance
Decreasing the rate of the Limited Sales, Excise and Use Tax to three percent for a three-year period beginning on September 1, 1978; exempting from the decrease certain items contracted or bid for before the effective date; making conforming amendments; and declaring an emergency.

S.J.R. 1 by Ogg

Economic Development

Proposing an amendment to Article VIII of the Constitution of Texas limiting the yearly increase in evaluation of real property.

S.J.R. 3 by Kothmann

Finance

Amending the constitution to repeal the state ad valorem tax for permanent improvements at institutions of higher education.

S.J.R. 4 by Mengden, Price

Finance

Proposing a constitutional amendment restricting the power of the legislature and the political subdivisions of the state to increase taxes.

S.J.R. 5 by Mengden, Price

State Affairs

Proposing to amend Articles III and XVII of the Texas Constitution so as to reserve in the people the powers of initiative and referendum.

S.J.R. 6 by Patman

Economic Development

Proposing an amendment to Article VIII of the Texas Constitution to authorize separate appraisal formulas to promote preservation of open-space land devoted to farm, ranch, and forest purposes.

S.J.R. 7 by Jones of Harris

Finance

Proposing a constitutional amendment to repeal the state ad valorem tax for permanent improvements at institutions of higher education.

S.J.R. 8 by Parker

Economic Development

Proposing an amendment to Article VIII of the Texas Constitution to provide for exemption of certain personal property from taxation.

S.J.R. 9 by Kothmann

Economic Development

Proposing an amendment to Article VIII, Section 1-b, Subsection (b), of the Texas Constitution to provide an exemption from certain property taxes on at least \$5,000 of the assessed value of residential homesteads of persons 65 years of age or older.

S.J.R. 10 by Jones of Taylor

Economic Development

Proposing an amendment to Article VIII of the Texas Constitution to repeal mandatory ad valorem taxation of intangible property and to authorize the appraisal of farm or ranch land for ad valorem tax purposes on the basis of the productive potential of the land.

S.C.R. 3 by Creighton

Administration

Granting Bertha Street, E. Bruce Street, M. Boyd Street, and Talus, Inc., permission to sue the State of Texas.

S.C.R. 5 by Harris

Administration

Granting Rucker Construction Company, Inc., permission to sue the State of Texas.

REPORTS OF STANDING COMMITTEES

Senator Jones of Harris submitted the following report for the Committee on Administration:

S.C.R. 2

Senator Aikin submitted the following report for the Committee on Finance:

S.B. 1 (Amended)

S.B. 2

SENATE BILL 1 ORDERED NOT PRINTED

On motion of Senator Lombardino and by unanimous consent, **S.B. 1** was ordered not printed.

SENATE BILL 1 ON SECOND READING

Senator Lombardino moved to suspend all necessary rules to take up for consideration at this time:

S.B. 1, relating to exemptions from the state inheritance tax for certain Class A beneficiaries; relating to the taxation or exemption from taxation of the receipts from the sale, production, distribution, lease or rental of, and the storage, use, or other consumption of gas and electricity for residential use under state and local sales and use taxes; amending Article 14.02, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended; amending various provisions of Chapter 20, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended; the Local Sales and Use Tax Act, as amended (Article 1066c, Vernon's Texas Civil Statutes); and Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes).

The motion prevailed by the following vote: Yeas 29, Nays 0.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

The President then laid the bill before the Senate on its second reading and passage to engrossment.

The bill was read second time.

Senator Hance offered the following committee amendment to the bill:

Amend Senate Bill No. 1 as follows:

(1) Strike all of Section 1.

(2) Amend Section 16 to read as follows:

SECTION 16. This Act takes effect on October 1, 1978.

(3) Renumber SECTIONS 2 through 17 as SECTIONS 1 through 16.

The committee amendment was read and was adopted.

On motion of Senator Lombardino and by unanimous consent, the caption of the bill was amended to conform to the body of the bill as amended.

The bill as amended was passed to engrossment.

SENATE BILL 1 ON THIRD READING

Senator Lombardino moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **S.B. 1** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 0.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 0.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

SENATE CONCURRENT RESOLUTION 4

Senator Aikin offered the following resolution:

BE IT RESOLVED by the Senate of the 65th Legislature, Second Called Session, of the State of Texas, the House of Representatives concurring, that in compliance with Article III, Section 17, of the Constitution of the State of Texas, either House is hereby granted permission to adjourn from Wednesday, July 12, 1978 until Monday, July 17, 1978.

The resolution was read.

On motion of Senator Aikin and by unanimous consent, the resolution was considered immediately and was adopted.

RECORD OF VOTE

Senator Patman asked to be recorded as voting "Nay" on the adoption of the resolution.

SENATE BILL 2 ORDERED NOT PRINTED

On motion of Senator Hance and by unanimous consent, **S.B. 2** was ordered not printed.

SENATE BILL 2 ON SECOND READING

On motion of Senator Hance and by unanimous consent, all necessary rules were suspended to take up for consideration at this time on its second reading and passage to engrossment:

S.B. 2, Relating to exemptions from the state inheritance tax for certain Class A beneficiaries; Amending Article 14.02, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended.

The bill was read second time.

Senator Ogg offered the following amendment to the bill:

Amend **S.B. 2**, Section 1, by adding paragraph (3), to read as follows:

(3) If the decedent was the last surviving parent of a child, there shall be deducted from the value of the property passing to or for the benefit of the child, for the purpose of calculating the amount of the tax imposed under this article, Five Thousand Dollars (\$5,000) for each year or part of a year that the child is under twenty-one (21) years of age. For the purpose of this article, the parent-child relationship exists when the child is the legitimate child of the parent, either naturally or by adoption and the parent-child relationship has not been terminated.

The amendment was read and was adopted.

RECORD OF VOTE

Senator Doggett asked to be recorded as voting "Nay" on the adoption of the amendment to the bill.

On motion of Senator Hance and by unanimous consent, the caption of the bill was amended to conform to the body of the bill as amended.

The bill as amended was passed to engrossment.

SENATE BILL 2 ON THIRD READING

Senator Hance moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **S.B. 2** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 0.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 0.

Yeas: Aikin, Andujar, Blake, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Price, Santiesteban, Schwartz, Snelson, Traeger, Truan, Williams.

Absent-excused: Mauzy, Moore.

COMMUNICATION FROM THE SUPREME COURT

The following Communication from the Supreme Court was read and was referred to the Committee on State Affairs, Subcommittee on Nominations.

THE SUPREME COURT OF TEXAS

July 11, 1978

Ms. Betty King
Secretary of the Senate
Capitol Building
Austin, TX 78711

Dear Ms. King:

This letter is to inform you that I appointed Ms. Connie Jackson as a member of the Board of Pardons and Paroles on December 8, 1977, pursuant to Article IV, section 11 of the Texas Constitution.

Sincerely,

/s/Joe R. Greenhill

AT EASE

On motion of Senator Aikin the Senate at 10:24 o'clock a.m. agreed to Stand at Ease pending receipt of the action taken by the House of Representatives on **S.C.R. 4.**

IN LEGISLATIVE SESSION

The President called the Senate to order at 11:28 o'clock a.m. as In Legislative Session.

MESSAGE FROM THE HOUSE HOUSE CHAMBER

Austin, Texas
July 12, 1978

Honorable William P. Hobby
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 4, Granting the Legislature permission to adjourn from Wednesday, July 12, 1978 until Monday, July 17, 1978.

Respectfully,
BETTY MURRAY, Chief Clerk
House of Representatives

MEMORIAL RESOLUTIONS

S.R. 15 - By Aikin: Memorial resolution for Claude D. Ribble.

S.R. 21 - By Schwartz: Memorial resolution for Ralph B. Gustafson.

S.R. 22 - By Schwartz: Memorial resolution for Mrs. Margaret Burns Biaggne.

S.R. 25 - By Doggett: Memorial resolution for Christian H. Langdeau.

S.R. 26 - By Doggett: Memorial resolution for Dr. James C. Dolley.

WELCOME AND CONGRATULATORY RESOLUTIONS

S.R. 12 - By Doggett: Extending welcome to Dr. Jack Heacock.

S.R. 13 - By Doggett: Extending welcome to Dr. Carrol Smith.

S.R. 14 - By Doggett: Extending welcome to The Most Reverend Vincent M. Harris.

S.R. 16 - By Clower: Extending welcome to John Joseph.

S.R. 17 - By Clower: Extending welcome to Tracy Demaret.

S.R. 18 - By Clower: Extending welcome to George A. Bofysil.

S.R. 19 - By Schwartz: Extending welcome to Carla Kantor and designating as an "Honorary Page."

S.R. 20 - By Schwartz: Extending congratulations to Walter Feigle.

S.R. 23 - By Schwartz: Extending congratulations to Dr. Sam Nixon.

S.R. 24 - By Schwartz: Extending congratulations to Louie D. Godard.

S.R. 27 - By Aikin: Extending welcome to David Sullens.

ADJOURNMENT

On motion of Senator Aikin the Senate at 11:28 o'clock a.m. adjourned until 10:30 o'clock a.m. Monday, July 17, 1978.

RECORD OF VOTES

Senators Patman, Traeger and Andujar asked to be recorded as voting "Nay" on the motion to adjourn.